

# Report to Council



**Date:** October 30, 2023  
**To:** Council  
**From:** City Manager  
**Subject:** Grant from Critical Community Infrastructure Fund  
**Department:** Utility Services

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## **Recommendation:**

THAT Council receives for information the report from the Utility Services Department dated October 30, 2023, with respect to a grant from the Province of British Columbia's Critical Community Infrastructure Fund;

AND THAT the 2023 Financial Plan be amended to include \$3,000,000 for the Turtle Lake Dams Renewal Project funded from the Community Critical Infrastructure Fund;

AND FURTHER THAT any unused amounts from the \$3,000,000 Community Critical Infrastructure Fund be contributed to the Rutland Centre Sewer Connection Project via the Septic Removal Specified Area Reserve Fund;

AND FURTHER THAT the 2023 Financial Plan be amended to increase the Rutland Centre Sewer Connection Project budget by \$6.4 million, with funding of \$244,400 transferred from the Wastewater Offsite and Oversize project, all remaining funds from the Community Critical Infrastructure Fund, and up to \$6,155,600 from the Septic Removal Specified Area Reserve Fund.

## **Purpose:**

To update Council on receipt of a grant to rehabilitate two City owned dams on Turtle Lake and provide additional funding to the Rutland Centre Sewer Connection Project.

## **Background:**

The City inherited a number of dams when the South East Kelowna Irrigation District (SEKID) merged with the City of Kelowna water utility. The two dams that create Turtle Lake Reservoir were constructed from 2008-2011 to increase the amount of water storage available to accommodate growth in SEKID's demand. The water from Turtle Lake supplements, when needed, McCulloch Reservoir. A recently completed Dam Safety Review (DSR) of both dams, by an independent consultant, identified potential safety hazards that include "deficiencies or potential defects that are likely to contribute to instability and increased risk of internal erosion, which is hazardous to the dam(s)."

The DSR identified several urgent actions which staff have already acted upon. The most important, and noticeable to the community, is the lowering of the water level in Turtle Lake to a new target surface level approximately 4 metres below full pool. Lowering the water level reduces the hydraulic forces on each dam, and significantly lowers any risk of failure until a solution is found. Staff completed the task of lowering the water level earlier this spring. Turtle Lake remains available for fishing, paddling and other recreational activities.

The City continues to update provincial dam safety regulators as this dam safety issue is addressed. Staff monitor these dams regularly with weekly inspections.

Administration have identified a second project requiring additional funds should this grant have funds remaining after the dam repairs. The Rutland Centre Sewer Connection Project requires additional funding to complete the full project scope. In late 2021, the City was awarded a \$9.0 million grant from the Investing in Canada Infrastructure Program (ICIP) as part of a \$12.3 million project to install sanitary sewer in the Rialto, Rutland, and Hall Road connection areas as part of the septic sewer removal program. This scope of work was tendered in the fall of 2022 and because of construction cost inflation, there is a projected overall budgetary shortfall of \$8.8 million to complete the scope of work anticipated in the grant.

**Discussion:**

The City has received a grant of \$3.0 million from the Province of British Columbia through the Critical Community Infrastructure Fund (CCIF) to support the design and implementation of a remedy to address dam safety concerns of the two Turtle Lake Reservoir dams, with any remainder to be used to assist the completion of the Rutland septic system elimination works.

Next steps for Turtle Lake include a detailed assessment of each dam, developing a remediation plan and submitting this to the Province for approval, then implementing the remediation works. The City has three years to complete this process to meet the terms of the grant. The interim operating water level of Turtle Lake will remain at 1290m (the lower level) as approved by the Province until remediation works are complete.

The Rutland Centre Sewer Connection Project budget shortfall is partly addressed by an allocation of \$2.4 million from the Growing Communities Grant Fund as approved by Council on October 16, 2023. An existing reserve, Septic Removal Specified Area Reserve Fund, is recommended to be used as the source for the additional necessary funding to complete the program as planned. If the Turtle Dam repairs are completed for less than the available CCIF, staff recommend that the remaining grant be applied to the Rutland septic project. The Province supports this allocation.

**Conclusion:**

A Critical Community Infrastructure Fund grant has been approved by the Province to repair and remediate the two dams at Turtle Lake Reservoir and remaining funds be put towards the Rutland Centre Sewer Connection Project so that both projects may proceed to completion in a timely fashion.

**Internal Circulation:**

Financial Services  
Communications

Partnerships Office

**Considerations applicable to this report:**

**Financial/Budgetary Considerations:**

The City has received \$3 million of Community Critical Infrastructure funds for the Turtle Lake Dams Renewal projects. Staff are recommending that any unused funds be used to support the Rutland Centre Sewer Connection project.

Staff are recommending the 2023 Financial Plan be amended to fund the remaining shortfall in the Rutland Sewer Connection Project of \$6.4 million, with funding of \$244,400 transferred from the Wastewater Offsite and Oversize project, all remaining funds from the Community Critical Infrastructure Fund, and up to \$6,155,600 from the Septic Removal Specified Area Reserve Fund.

**Considerations not applicable to this report:**

Existing Policy:

External Agency/Public Comments:

External Agency/Public Comments:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Personnel Implications:

**Submitted by:** R. MacLean, Utility Planning Manager

**Approved for inclusion:** M. Logan, Infrastructure General Manager

Attachments: 1. Turtle Lake Dam and Central Rutland Sewer Connection Project Locations

cc: Divisional Director, Financial Services  
Divisional Director, Partnership & Investments